

97-84277-13

Williamson, Stephen

India, in its relation to the
silver question

Liverpool

[1876]

97-84277-13

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332 Z v. 84	<p>Williamson, Stephen, 1827-1903.</p> <p>India, in its relation to the silver question. A letter addressed to an Indian merchant, by Stephen Williamson. Liverpool, Turner & Dunnett [1876]</p> <p>20 p. 22cm.</p> <p>Volume of pamphlets.</p> <p>1. Currency question—India.</p> <p>Library of Congress</p>	<p>6-41658</p> <p>HC1235.W6 (s23cl)</p> <p>ONLY ED</p>
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TECHNICAL MICROFORM DATA

FILM SIZE: 35mmREDUCTION RATIO: 10:1IMAGE PLACEMENT: IA (IIA) IB IIBDATE FILMED: 12-8-97INITIALS: PBTRACKING #: 29869

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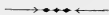


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F. G. HICKSON

INDIA,
IN ITS RELATION
TO THE
SILVER QUESTION.



A LETTER

ADDRESSED TO

AN INDIAN MERCHANT,

BY

STEPHEN WILLIAMSON.



1876

LIVERPOOL:

TURNER & DUNNETT, JAMES STREET.

P. S. KING & SON,
PARLIAMENTARY BOOKSELLERS,
KING ST., WESTMINSTER.

13- Nov 1919 Sm

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IN ITS RELATION TO THE SILVER QUESTION.

LIVERPOOL, 20th Nov., 1876.

HENRY COKE, Esq.,
MESSRS. DAVID SASSOON & Co.

DEAR SIR,

Knowing that you have followed, with intelligent interest, the late discussions in Liverpool on the "Silver Question," and seeing that you are intimately connected with India in your business relations, I take the liberty of addressing this letter to you. My desire is to offer some remarks of a suggestive kind on the course which the mercantile community of India ought now to follow, in order to obtain a just and wise solution of a question in which, I believe, the material interests of our Indian Empire are vitally concerned.

II.

It may be of some service here to refer succinctly to the history of past efforts, on the part of our Indian fellow-subjects, to assimilate their metallic currency to that of England. From time to time since 1835, when gold ceased to be a legal tender in India, there has been agitation for the re-introduction of a gold currency. These efforts were made more especially during the years from 1859 to 1865; and in the Indian Government minutes of that period we have some very interesting information regarding the discussions which then took place. In view of the very large amount of silver money existing, and the very great difficulty in the way of

demonetising it, the efforts made, though ostensibly for the introduction of a gold currency, really took the shape of an attempted adjustment of a bi-metallic money system, under which there might be the unrestricted use of both gold and silver money—the gold coins to be English and Australian sovereigns.

Although gold was demonetised in India in 1835, it appears that the gold mohur or 15 rupee piece was received at the public treasuries at a rate publicly announced by proclamation from time to time. This continued till Lord Dalhousie's proclamation in 1852, when it ceased. The rate fixed was always below the relative value of gold to silver.

In May, 1859, the Bengal Chamber of Commerce, backed by a number of the most influential native shroffs and merchants of Calcutta, memorialised the Indian Government as to the expediency of introducing a gold currency. The Government did not consent to what was suggested. The main grounds of their refusal were the difficulty of fixing the proportional value which ought to be given to the gold coin, and also that "the bargain of the State had been made with its creditors in silver." The objections were ably dealt with by the Secretary of the Chamber of Commerce in a communication to the Indian Government, dated 25th July, 1859. But the Government persisted in its refusal. The Secretary of State, in a minute dated 10th November, communicated by the Right Hon. J. Wilson in an exhaustive despatch dated 25th December, 1859, put at end for the time being, to the hopes of the mercantile community in India.

Mr. Wilson objected to the introduction of a gold currency, because he looked on the proposal as a "breach of faith, inasmuch as silver seems to be an appreciating metal, while "gold is probably still falling!" He looked with disfavour on a double standard; yet he stated that, "if it is desired to have "the use of both metals in a circulation of full value as coin,

"it is the best mode in which that object can be attained." *Mr. Wilson's objections to the policy of paying in gold, State obligations contracted in silver, were afterwards successfully combated by Sir Charles Trevelyan, by Sir William Mansfield, and by the Hon. S. Laing. The latter, in his minute of February, 1861, in connection with a Currency Bill, one of the proposals of which was the issue of notes against gold, added that he did not acquiesce in many of the objections urged against the adoption of a double standard in India. After the receipt of Mr. Laing's minute, it appears that the English Government again withheld its sanction from the proposed introduction, in this shape, of a gold currency. The Secretary of State, in his despatch dated 16th September, 1862, acknowledged that the introduction of a gold currency into India was a very important question, but pointed out that there were then difficulties of a practical character existing through the fresh discoveries of gold mines. He added, however: "If by any "change in the relative value of the precious metals, the sovereign and ten silver rupees should become of equal intrinsic "value, the introduction of gold would be of comparatively "easy accomplishment."

After a short interval, during which the mercantile communities in India appear to have remained thoroughly dissatisfied with the continuance of the prohibition to use gold as well as silver money, the Bombay and Bengal Chambers of Commerce again bestirred themselves, and in

* Mr. Wilson objected to the payment in gold of obligations contracted in silver. How many people connected with India would object to it to-day? I have heard it said, on the other hand, that there would be "breach of faith," in paying our own national obligations in silver instead of gold. The objection is not worthy of discussion. All the gold in the world would not pay off our national debt; besides which, our debt really consists of *interminable annuities*, and the Government is under no obligation ever to pay the principal. The money was borrowed when the bi-metallic system was the monetary law of England; and, accordingly, there could be no injustice in paying either principal or interest in legal money, whether of gold or silver.

very strong memorials, dated February, 1864, pressed the question on the attention of Sir John Lawrence. The Bombay Association pointed out that "from time immemorial" "until some years ago India possessed an extensive gold "currency;" that the stringent regulations which, in 1835, declared gold to be no longer a legal tender, "had virtually "extinguished a gold currency, but had by no means extinguished its popularity." The renewed agitation culminated in a most interesting minute of Sir Charles Trevelyan, dated June, 1864, in response to the petitions of the Calcutta, Bombay, and Madras Chambers of Commerce. Commenting on the hurtful effect of the action of England, in submitting to be drained of gold, in order to sweep the Continent of Europe of silver for transmission to India (thereby raising discounts and deranging commerce), Sir Charles proceeded to remark that "the effectual remedy "is to put gold on the same footing as silver." He emphatically added that "*the people of India have never acquiesced "in the exclusion of gold from the currency.*" He stated that "the course" to be adopted is to declare gold to be a legal "tender, in addition to silver, at a rate carefully calculated "with reference to the relative value of the two metals." Sir Charles entirely espoused the cause of the memorialists, and did his best to carry into effect their aspirations. Many significant facts are to be found in the published account of the investigations made. Amongst others, there is the Report of Mr. Moir, Manager of the Oriental Bank at Colombo, dated 7th June, 1864, in which it was stated that "Ceylon "*owes to its double standard* its comparative immunity from "the severe monetary crisis through which India had recently "passed." The English Government, after a discussion in Parliament, gave some heed to the reiterated demands of the people of India; and in a despatch of Sir Charles Wood, the Secretary of State, dated 26th September, 1864, their obliga-

tion so to act was openly acknowledged. The Government, while pointing out that the plan proposed by Sir Charles Trevelyan was really "the establishment of a double standard "of gold and silver—the gold sovereigns being legal tender "for the same sum as ten silver rupees"—sanctioned a tentative measure on that basis, and authorised the Indian Government treasuries to receive payments in that ratio. The ratio, however, had not been carefully nor scientifically adjusted. The previous experience both of India and of the United States had clearly shown that any ratio out of harmony with the French proportion of $15\frac{1}{2}$ to 1, which governed and guaranteed the value of silver in Europe (and which, until the action of Germany and the suspension of the free coinage of silver throughout the Latin Union, silently guaranteed the relative value of rupees and dollars to gold throughout the world) would end in disappointment. This experience was unheeded. Sir William Mansfield, in his minute dated 12th July, 1864, had already proved that the equivalent was really 10.4 rupees to the sovereign. The Hon. Claud Brown, in a despatch to Sir Charles Trevelyan, dated May, 1864, significantly remarked: "Sovereigns will "be readily received into general circulation, I have little "doubt; but the first and most essential condition is that "some one must provide the sovereigns, and my difficulty "is that I do not think it can be done at the price." The experiments tried, being on an unscientific basis, came to an end towards the close of 1865, the legal valuation of gold having been fixed too low in comparison with the actual value of silver at the time. The measure thereby became inoperative. Gold naturally was unobtainable for currency purposes. It is quite true that about £400,000 in gold was collected at the Government Treasuries in a few months, but as the gold sovereign, when imported, passed generally at a premium above ten rupees, the experiment failed.

The facts narrated are of public interest in the discussion, and they point clearly to the very great difficulty there is in the way of isolated nations successfully adopting by themselves a bi-metallic money system. They augur nothing, however, against, but, on the contrary, very much in favour of the policy which I have been advocating of late, namely—that of fixing, by means of an international conference *amongst all the leading monetary nations*, a definite ratio betwixt the two metals, and making both unlimited legal tender in that ratio. Such a measure would prove an incalculable boon to India. Without it, her financial position is critical in the extreme.

III.

As might naturally have been expected, after the recent changes in European monetary law—tending, as they are doing, towards the expulsion of silver money from Europe—there has recently been renewed agitation in India for the introduction of a gold currency. It was stimulated by the late serious decline in the value of silver; and it took the shape of memorials from the Bengal Chamber of Commerce and the Calcutta Trades' Association praying the Indian Government, as a preliminary measure, to suspend the further free coinage of silver. The minute of the Indian Government, dated Simla, 22nd September last, is now before me. The Government has refused to accede to the petition of the memorialists, and the Governor-General has fully stated his reasons for so acting in the "Observations" which have been printed *in extenso* in the Government gazette.

IV.

I do not look with regret on the refusal of the Indian Government to entertain the proposals of the memorialists. On the contrary, I am sure it took the wisest course, for, as

the minute points out, it would be highly inexpedient to stop the free coinage of legal tender silver money without opening the mint for the coinage of legal tender gold money. In view of the enormous mass of silver money in India, and the impossibility of demonetising it without accelerating its decline, and thereby still further augmenting the financial difficulties of the Indian Government, the free coinage of legal tender gold money would have necessitated the fixing of a legalised ratio betwixt the two metals; *in other words, the adoption of the bi-metallic money system.* As I have already indicated, this is the true remedy, if internationally and very generally adopted, but one which India cannot now successfully attempt by herself. The conclusion at which I have therefore arrived, is that India ought now to demand from the Imperial Government the immediate adoption of measures in order to harmonise her currency with that of England on the basis of the bi-metallic system. The fact that England imposed on India her existing monetary laws, and that, confessedly, these laws have never met with the full approbation of the Indian people, will form all-powerful and irresistible arguments. There ought therefore to be intelligent agitation and discussion throughout all the Presidencies, in order to enforce on the English Government the necessity for taking part in an international conference with the view of the general adoption of the Bi-metallic money system, as the very best and wisest solution. India has now a right to demand this, and India may be the fulcrum in this matter for conferring universal benefit on the family of nations, while she will, if successful, substantially help to extricate her own financial position from embarrassment and pressing anxiety.

If the relations betwixt the two precious metals are to remain dislocated in Europe, it is evident that the United States of America, which are now using a large quantity of silver for their fractional currency, will adhere to the example

of Europe, and discard silver as legal tender money. India, therefore, if left to her fate, with her free coinage of unlimited tender silver money, becomes, in opposition to her own aspirations and protestations, the only country legally bound to absorb the metal.

V.

This being the actual position of India—her metallic currency discarded as money everywhere else—her mint kept open, notwithstanding, by imperial mandate, for the unlimited coinage of silver,—may I inquire if you, as an Indian merchant, have ever contemplated the possible result of a year of calamity or of drought overtaking her? India has now a very large annual obligation (£16,000,000) to liquidate in gold. What must be done, however bad the state of her commerce may be. At present India is not able to draw over £2,000,000 per annum in specie to settle the balance of trade accounts due to her. How easily could a calamitous year turn the balance to the other side! Professor Stanley Jevons mentions that, about the year 1832, when India's annual State obligations were almost *nil*, the current of treasure actually turned from India to this country for a year or two. It is quite possible that a very strong back current from India might, in an adverse season, be a dire necessity. What, I would therefore ask, would be the result of rupees competing in the London bullion market with bar-silver—possibly in a time of monetary pressure? With every door shut against silver, except the silversmith's, I can only imagine one result as likely to follow, and that might possibly involve the financial ruin of our Indian Government.

The late rise in the price of silver is, to my mind, likely to prove delusive—unless, indeed, the hopes I cherish of the international adjustment of a bi-metallic money system, and a restoration of the *status quo*, are more widely entertained

than I believe them to be—important though the progress of public opinion in that direction undoubtedly is. I consider the position of silver, through the hurtful action of unwise monetary legislation, to be now most unstable.* Let a testing time come, and we shall all have an opportunity of judging. But, before any great catastrophe can happen, I venture to hope that our ablest statesmen (like some of our most distinguished political economists) may be convinced of the necessity for adopting the bi-metallic system, and so prevent the ruin which I greatly fear may otherwise prove to be inevitable. To believe that silver, if left to itself, will, somehow or other, "come all right," is simply an act of self-deception. I trust therefore that India will emphatically protest against the continuance of the selfish *laissez faire* policy as one which, in the long run, may prove to be calamitous.

VI.

When in 1847, the London Merchants, Bankers, and others, petitioned for a power of relaxation in the working of the Bank Act, and for the introduction of a bi-metallic standard, they pointed out that Merchants had, during the crisis of that year, received remittances of silver which the Bank of England would neither purchase nor make advances upon. Lord Overstone, in his remarks on that petition, when defending the action of the Bank, said that silver in England was a mere commodity like any other. He suggested that the Merchants who felt themselves aggrieved could send their

* Even although silver should continue to rise until it touched 60d. per ounce again, there would be none the less reason to contend for the general adoption of the bi-metallic money system. The rise may make the right international adjustment all the more easy, but it certainly supplies no good argument to those who would let the thing alone. The frequent fluctuations we have had of late have caused much annoyance to merchants; and if it served no other purpose than to remove this great obstacle to the intelligent prosecution of business, the adoption of the bi-metallic system would be hailed with satisfaction all the world over.

silver to the Continent, where it was legal currency, and so exchange it for gold. The suggestion could no doubt have been carried out (although it is possible that merchants may have failed during the process of exchange); for the French 15½ to 1 guaranteed the value of silver in those days. Now the Continent is shut against it, and the full effect of this—unless the remedy of bi-metallism be in the meantime applied—will only be seen when the next crisis supervenes. No Lord Overstone will then be able to recommend English Merchants to play upon the currencies of the Continent of Europe. Our continental neighbours have wisely prohibited the game.

VII.

I have already said that I think the Indian Government acted wisely in refusing to suspend the free coinage of silver. Their refusal may all the sooner result in a satisfactory adjustment and settlement of the question. I concur in the force of the primary reasons which induced the government so to act. But I deplore the fact that, in addition to these, the Indian Government has, in order to recommend the *laissez faire* policy, adduced other reasons of a character purely speculative and imaginary. The tendency of these latter arguments is to insinuate that, perhaps, after all (contrary to the evidence of our senses), silver may not have depreciated in value or in purchasing power. In order to establish this theory, we find appended to the Indian "Minute" elaborate tables of statistical information.

These governmental statistics are composed of a series of tables of prices in London and in India; the information contained in which, the minute declares, "points to two conclusions:"—

"First. That gold has risen in value since March, 1873, and especially since last December."

"Second. That it is not shown that silver has fallen in value, *i.e.*, as compared with commodities in general, either in London or in India, during the same period."

It is surely a matter for regret that the government of India has been led to publish statistical tables which are constructed so as to lead up to utterly misleading and erroneous conclusions. They bear evidence of a singular lack of practical sagacity in handling the commonest concerns of every day life and business.

VIII.

It is impossible for me, in this letter, to discuss at length the details and figures presented in the tables referred to. Suffice it for me to say that, to my mind, they are entirely worthless, and for the following, amongst other reasons:—

First. That violence is done to the understanding of business men by the hypothesis involved in the construction of Table VIII., the method of construction being that, while silver remained stationary from March, 1873, to April, 1876, gold had risen in value to an extent, as compared with silver, of 11.72 per cent.

Second. That as there has been, during the past two years, a declining and markedly unprofitable business, with an over supply of most commodities, a temporary fall in their value has been the natural and inevitable consequence. Any comparison of variations in their prices with variations in the price of silver is therefore fallacious. The range

of commodities enumerated in the above tables is too restricted, and the time over which the comparison of their relative fluctuations is made, is, for the reason explained above, altogether too short. The deductions, therefore, are entirely erroneous, even if the principles on which the tables are constructed were correct—*which I maintain they are not on grounds which I will proceed to substantiate.*

Third. That nearly all the commodities enumerated are of a perishable character, such as breadstuffs,—raw materials for manufacturing purposes, as cotton and wool,—luxuries, as sugar, and other commodities, the production of a single season, and meant to be got rid of or consumed during a period of not exceeding twelve months. Their value is ever fluctuating, and depends chiefly on the changeable character of the weather, or of the season, or of trade. California wheat was quoted 44s. per quarter in August. It is 50s. to-day, and might be 60s. before next harvest. Sugar, which a few months ago was at an uncommonly low price, has, since the publication of these tables, risen 40 or 50 per cent. If next season's cane and beet crop should be large, sugar will fall to its normal price again. Silk, which was lately unprecedentedly low in price, has recently risen rapidly, owing to the failure of the crop in the South of France and in Italy. Some descriptions have risen nearly 100 per cent. since these very statistics were prepared. Cotton, on the other hand, after their publication, declined to a point lower than it has touched for fourteen or fifteen years.

IX.

To compare perishable and consumable commodities, subject to all the influences enumerated, with indestructible gold and silver money—the production of which, instead of being consumed, is added yearly to the metallic mass that has been accumulating from the earliest historic period—is to compare things utterly and entirely dissimilar in their nature and in their attributes. I regret being obliged to characterise these statistical tables as worthless for the purpose contemplated, and their construction and conclusions as wholly unsound. As well might the baker, when he reduces the price of his loaf from 8d. to 6d., after an abundant harvest, attribute the reduction to a rise in the value of his customers' money, as the Indian Government can deduce a rise in the value of gold from the restricted, inadequate, and fallacious data which I have thus ventured to criticise.

X.

I think it can reasonably be maintained that the purchasing power or value of gold has fallen in England during the past thirty years. It certainly requires more money to purchase landed property. The reason is obvious. The entire area of our country is restricted, and is already in the possession of proprietors. That area cannot be increased. As the wealth and population of the country increase, so does the value of land, especially near to towns; and residential properties sell at much higher prices than formerly. Again, it requires more money to purchase the labour of masons, carpenters, artisans, and others. House property has accordingly risen in value. Butchers' meat and dairy produce have risen in price, because the area of our country devoted to their production is restricted, and foreign countries cannot, without much risk and uncertainty, supply us with these necessities of life. On the other hand, our cereal produce, as wheat, barley, and oats, has not risen, but comes into competition with breadstuffs sent to us

from every quarter of the globe. The raw materials for our textile fabrics, as cotton, silk, and wool, it may be safely said, have not, on the average of years, risen in price. Metals, as copper, lead, and tin, have not risen; but iron, for which we are entirely dependent on our own production, has risen on the average of late years. All articles of clothing and of domestic use, as calicoes, printed cottons, dress stuffs, blankets, carpets, hardware, and the like, are now about as cheap as ever they were; but, on the other hand, the remuneration required by those who make up or sell many of these articles, as shopkeepers, tailors, dressmakers, and others, has greatly increased.

On the whole, we may safely conclude from these facts, and from other testimony that can readily be adduced, that gold has fallen somewhat in value or purchasing power during the past quarter of a century; and that there is, as yet, no reason to believe that of late it has risen, as these Indian government tables, constructed on fallacious principles, are designed to prove.

XI.

But let silver be permanently dethroned, as we have grave reason to dread may happen, and we shall soon see the value or purchasing power of gold increase. The divergence betwixt it and silver will *then* prove both ruinous to India and injurious to the commerce of England. As yet, however, the proofs of an actual rise in the value of gold, which the Indian government considers it has established, are happily founded on insufficient and inadequate evidence. The inference that the purchasing power of silver remains, more or less, the same as heretofore in relation to commodities in general, is therefore deceptive. I have shown some of the fallacies on which it is based, and I trust the mercantile communities of India will not suffer themselves to be imposed upon by specious

yet thoroughly unsound deductions. Silver has become greatly depreciated, and all the world must recognise the fact; in addition to which there is the danger of still greater depreciation.

XII.

Undoubtedly it is the duty of the wise legislator, at all times, to listen to and to adopt for his guidance the teachings of well-ascertained truths, and the evidence of palpable facts, even although it has been wisely said:

"Verily there is nothing so true that the damps of error have not warped it,

"Verily there is nothing so false that a sparkle of truth is not in it."

I apprehend that the statesman ought to tread all the more cautiously, that it is so, amongst the treacherous materials that sometimes engross and often deceive the speculative political economist. He is bound, in any case, to get on the solid ground of ascertained fact before he can venture on enunciating arguments, framing a policy, or abstaining from framing one when it is urgently demanded. There is a wide and ample field of ascertained fact for the Indian legislator in regard to the causes which have led to the late serious decline in the value of silver. There are reasons of overwhelming force for attempting to solve the problem, how best to preserve for India, and for the world, the undiminished use of silver money; and most assuredly that will not be done by a *laissez aller* policy. The policy which most recommends itself to my mind, as at once just and reasonable, is the general adoption of the bi-metallic money system. It formed no part of my intention in this letter to discuss or elucidate its merits. They have been abundantly vindicated elsewhere.* But I would strongly recommend, for

* Sensible men ought not to forget that bi-metallicism for a long period ruled in England under the advice of Sir Isaac Newton, who was Director of the Mint, in 1717. His arguments and reports to government will be found

attentive study in India, the writings of M. Cernuschi and Mr. Ernest Seyd; especially the paper read by the former, at the Social Science Congress, in October, entitled "Silver Vindicated," and I may add, that several of the most eminent of our living political economists have admitted that the positions assumed by the advocates of bi-metallism "cannot be impugned."

XIII.

Whatever be the merits or demerits of the minute of the Indian Government, and of the statistics appended thereto, in one respect it is valuable; for it attributes the disturbance of the "steady equilibrium, so long maintained between gold and silver," entirely to the adverse action of European monetary law, and makes small account of the Nevada mines. The Report has not a grain of comfort for the demand and supply theorists,* whose ill-conceived views are not even noticed in the

in the "Select Tracts on Money," republished by the Political Economy Club, of London, in 1856. Amongst these writings I find an enlightened advocacy of the universal bi-metallic money system, by Prior (a political economist whose opinions were apparently in advance not only of his own time but of ours) published at Dublin, in 1729. The pamphlet is entitled "Observations on Coins in General," and in it I find the following remarkable statements:—"Gold and Silver being agreed upon as equivalents for all things which men want from one another; they very well answer this intention—without occasioning any disturbance in commerce; nay, will be much more convenient than either metal alone, provided a just proportion be preserved in their respective values." Again, he adds, "If two metals cannot be the measure of commerce both together, the same argument will hold good against one metal." But more remarkable still is the following extract:—"It would be a great advantage to commerce if Gold and Silver bore the same proportions in value to one another in all parts of the world." The editors of the "Select Tracts" speak of this Tract as, generally speaking, "correct in its statements and sound in its principles."

* It is the boast of English free traders that the genius of our commercial system—the foundation of much of our success—has been the getting rid of the intervention of law in our commerce, and the consequent liberation of our trade from hurtful imposts and supervision. From the favour with which many men (of liberal political opinions especially) justly look on what has been accomplished, they somehow or other conclude that our money system, or rather our dealings with the precious metals, should be left entirely to the untrammelled action of "demand and supply." No fallacy could be greater. Law is the very foundation of our coinage system, and that which alone is potent enough to elect metals to serve as "money." It may not be out of place

document. The minute also dispels the illusions of those who dream that the flow of silver to India will soon set in again in full force. The Government of India, it assures us, "apprehend that, if loans be no longer raised in England, the excess of the export over the import trade will not more than suffice to meet the obligations arising from the Secretary of State's demands, and those of private remitters; and there consequently appears no reason to expect that India will be flooded with depreciated silver." Those who think with the *Economist*, that "somehow it will all come right," will meet with a difficulty in this expression of opinion on the part of the Indian Government.

Moreover, there is, happily, nothing to be found in the minute which can militate in any way against the wisdom of adjusting a fixed ratio betwixt gold and silver money by means of an International Conference. I have the firm conviction that if such a measure is intelligently pressed by the Anglo-Indian and native mercantile communities upon the English Government, and upon the Governor-General of India—but especially upon the Secretaries of State for India—the proposal will not fail to receive the most favourable consideration. It is to be regretted that, at the present moment, foreign politics engross so much of the attention of our Government; but this makes it all the more necessary that immediate and united action in India should be taken. I commend the suggestion, by means of this letter, to your friends and correspondents in the East, especially to the Chambers of Commerce in the different Presidencies.

to remark (although somewhat aside from the main questions under discussion) that in several departments of our trade law must intervene—markedly, and justly so, in regard to our liquor traffic. In Liverpool we have suffered from the application of free trade nostrums in this particular. Ultra free traders have done damage to the morality of the people by allowing their objection to the intervention of law in regard to the "demand and supply" of drink to overcome their better judgment.

The accomplishment of our desires would be a source of lasting satisfaction. I am persuaded that India, under the bi-metallic system, would take a fresh start on a career of unexampled prosperity. If her silver currency were restored to its former dignity, and the large hoards of gold (estimated by Colonel Ballard, Director of the Bombay mint, at more than £120,000,000 in the year 1868) could be even partially availed of—under a bi-metallic system—for the development of her resources, India would advance in wealth and industry in a ratio hitherto unsurpassed. The world would participate in the benefit, and be all the better for it. But the *vis inertiae* of the English mind is proverbial, especially in regard to any change in monetary legislation. In view of this acknowledged fact, I trust that India will put forth all the greater effort to induce our Government to take part in an International Conference, in order to the adoption of such measures as may best promote the material interests both of India and of England.

Believe me,

Yours faithfully,

STEPHEN WILLIAMSON.

**END OF
TITLE**